

**FAR HILLS UTILITY DISTRICT**  
**MINUTES OF BOARD OF DIRECTORS MEETING**

**November 13, 2025**

The Board of Directors (the "Board") of Far Hills Utility District (the "District") met in regular session, open to the public, at the District's office, 10320 Cude Cemetery Road, Willis, Texas 77318, located within the boundaries of the District, on Thursday, November 13, 2025 at 5:00 p.m., pursuant to the notice of said meeting, whereupon, the roll was called of the members of the Board, to-wit:

James M. Haymon	President
Christopher A. Kuhl	Vice President/Tax Compliance Officer
Melinda M. Shelly	Secretary
David Bock	Assistant Secretary
J. Richard Cutler	Director

All members of the Board were present, thus constituting a quorum. Consultants in attendance were: Ms. Regina D. Adams, attorney, and Ms. Raechel Rodriguez (via teleconference), paralegal, of Radcliffe Adams Barner PLLC ("RAB"), attorney for the District; Mr. Terry Holland of Myrtle Cruz, Inc. (the "Bookkeeper"), bookkeeper for the District; Mrs. Erika Donohoe and Mr. Sergio Torres of M. Marlon Ivy & Associates, Inc. ("MMIA" or the "Operator"), operator for the District; Mr. Tim Hardin, P.E. of Langford Engineering, Inc. ("Langford" or the "Engineer"), engineer for the District; and Mr. Bill Blich of Blich Associates, Inc. ("Blich" or the "Financial Advisor"), financial advisor for the District.

The President, after finding that notice of the meeting was posted and determining that a quorum of the Board was present, called the meeting to order at 5:00 p.m., and declared it open for such business as may come before the Board.

1. **Public comment.** There was no public comment.
2. **Minutes.** The Board considered approval of the minutes of the October 9, 2025 regular Board meeting. Upon motion by Director Kuhl, seconded by Director Bock, after full discussion and with all Directors present voting aye, the Board voted unanimously to approve the minutes of the October 9, 2025 regular Board meeting.
3. **Tax Assessor/Collector's Report.** On behalf of Ms. Tammy McRae, the Montgomery County Tax Assessor/Collector, Mr. Holland reviewed with the Board the October Tax Assessor/Collector's Report, a copy of which is attached hereto. Upon motion by Director Cutler, seconded by Director Kuhl, after full discussion and with all Directors present voting aye, the Board voted unanimously to approve the Tax Assessor/Collector's Report.
4. **Delinquent Tax Attorney's Report.** There was nothing to report at the time.
5. **Bookkeeper's Report.** Mr. Holland presented to the Board the Bookkeeper's Report, including the Investment Report, Budget Summary, Energy Usage Report, and Billing/Collection Report, copies of which are attached hereto.

Mr. Hardin noted that Lake Conroe RV Campground, LLC doing business as RJourney, LLC ("RJourney") would need to be invoiced for its capital pro rata share of the Wastewater Treatment Plant ("STP") improvement project (the "STP Project") pursuant to the provisions of the Out-of-District Sanitary Sewer Service Agreement between the District and RJourney.

Upon motion by Director Bock, seconded by Director Shelly, after full discussion and with all Directors present voting aye, the Board voted unanimously to: 1) approve the Bookkeeper's Report; and 2) authorize payment of the bills reflected therein, as presented.

A discussion ensued regarding the Fiscal Year Ending ("FYE") December 31, 2026 Budget (the "2026 Budget"). Upon motion by Director Bock, seconded by Director Shelly, after full discussion and with all Directors present voting aye, the Board voted unanimously to adopt the 2026 Budget.

6. **Engineer's Report.** Mr. Hardin then reviewed the Engineer's Report, a copy of which is attached hereto.

Mr. Hardin reported on the construction of the emergency interconnect with Montgomery County Utility District No. 2 ("MCUD No. 2") (the "Interconnect Project"). Mr. Hardin presented to the Board Pay Estimate ("PE") No. 1 in the amount of \$403,909.65 from ISJ Underground Utilities, LLC ("ISJ") for work performed on the Interconnect Project through October 24, 2025, a copy of which is attached to the Engineer's Report. Mr. Hardin noted that a ten percent (10%) retainage was withheld from ISJ's payment. Mr. Hardin also presented an invoice in the amount of \$3,437.50 from HTS Consultants ("HTS") for construction materials testing work completed for the Interconnect Project through October 31, 2025, a copy of which is attached to the Engineer's Report. Mr. Hardin then reviewed with the Board progress photographs of the Interconnect Project, copies of which are attached to the Engineer's Report.

With regard to the Wastewater Treatment Plant ("STP") improvement project (the "STP Project"), Mr. Hardin reported that Sustanite Support Services, LLC ("Sustanite") was issued a Notice to Proceed, a copy of which is attached to the Engineer's Report. Mr. Hardin then reviewed with the Board Sustanite's Contractor Schedule for the STP Project, a copy of which is attached to the Engineer's Report. Mr. Hardin noted that work at the project site was scheduled to commence following the submittal and procurement phases on or about January 22, 2026.

Mr. Hardin then presented to the Board a proposal from Preventive Services, L.P. ("PS") in the amount of \$22,800.00 for the STP coating inspection, a copy of which is attached hereto.

Upon motion by Director Kuhl, seconded by Director Cutler, after full discussion and with all Directors present voting aye, the Board voted unanimously to: 1) approve the Engineer's Report; 2) accept PE No. 1 from ISJ in the amount of \$403,909.65; 3) approve the invoice from HTS in the amount of \$3,437.50; and 4) accept the proposal from PS in the amount of \$22,800.00 for the STP coating inspection.

7. **Adopt Resolution Declaring Official Intent to Reimburse Expenditures from Proceeds of a Future Bond Issue ("Reimbursement Resolution").** Ms. Adams reviewed with the Board the Reimbursement Resolution, a copy of which is attached hereto. Ms. Adams noted that the District was permitted to reimburse expenses paid from the District's Operating Funds for costs related to the STP Improvement Project with future bond proceeds which would be issued,

in part, for such project. Upon motion by Director Kuhl, seconded by Director Shelly, after full discussion and with all Directors present voting aye, the Board voted unanimously to adopt the Reimbursement Resolution.

8. **Operations Report.** Mr. Torres reviewed the Operations Report, a copy of which is attached hereto. Mr. Torres reported that the District had 849 connections and a 99.62% water accountability ratio for the period ending October 21, 2025.

Director Cutler inquired if meter covers were removed to read the meters. Mrs. Donohoe explained the smart meter reading process. Director Cutler reported that his and his neighbor's meter covers were opened. It was speculated that the fiber optic contractors may have removed the meter covers.

Director Kuhl reported that manhole covers had been left open overnight by fiber optic contractors along Valley Drive.

Upon motion by Director Kuhl, seconded by Director Bock, after full discussion and with all Directors present voting aye, the Board voted unanimously to: 1) approve the Operations Report; and 2) authorize termination of service to delinquent accounts in accordance with the provisions of the District's Rate Order.

9. **General Maintenance of District Administration Building**

Accept proposal for Water Plant fence picket replacement.

Mr. Torres reported that MMIA was repairing the picket fence at the Water Plant.

Consider Release of Liability for Administration Building parking lot usage.

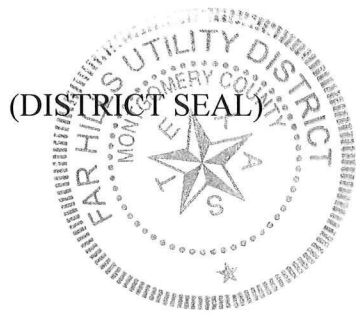
Ms. Adams reported that the District was still awaiting the Certificate of Liability Insurance from Maroon City Valet to utilize the District's Administration Building parking lot for a private event within the District on Friday, December 12, 2025. Upon motion by Director Kuhl, seconded by Director Shelly, after full discussion and with all Directors present voting aye, the Board voted unanimously to approve the Release of Liability, subject to receipt of the Certificate of Liability Insurance.

10. **District facility landscape matters.** Director Cutler reported that the roses in front of the sign at the WP would be replaced with low maintenance white and green flax plants.

11. **Attorney's Report, including annual review of Covered Applications Prohibition Policy.** Ms. Adams reviewed with the Board the District's Amended Covered Applications Prohibition Policy, noting that RAB did not recommend any changes at the time. Upon motion by Director Shelly, seconded by Director Culter, after full discussion and with all Directors present voting aye, the Board voted unanimously acknowledge the annual review of the District's Covered Applications Prohibition Policy.

12. **Adjournment.** There being no further business to come before the Board, the meeting was adjourned at 5:51 p.m.

Passed and approved this 11<sup>th</sup> day of December, 2025.



  
Secretary, Board of Directors